

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

HEARING OFFICER DIRECTIVE

DOCKET NO. 2019-281-S ORDER NO. 2020-58H

JUNE 25, 2020

Hearing Officer: David Butler

DOCKET DESCRIPTION:

Application of Palmetto Utilities, Incorporated for Adjustment (Increase) of Rates and Charges, Terms and Conditions, for Sewer Service Provided to Customers in Its Richland and Kershaw County Service Areas

MATTER UNDER CONSIDERATION:

Motion for Continuance of the Hearing and Leave to Prefile Limited Additional Testimony

HEARING OFFICER'S ACTION:

Palmetto Utilities, Inc. ("PUI" or "the Utility") moves for an order continuing the hearing in this matter, which was set to begin on June 30, 2020. Although the Motion originally requested July 15, 2020 as the new date for commencement of the hearing, PUI and the parties subsequently agreed to a modification of this requested date to July 13, 2020. The utility seeks the continuance for several reasons, summarized herein: 1) Discussion of alternate proposals from the Office of Regulatory Staff ("ORS"); 2) Preparation of further information for the Commission from the Utility; 3) The ability of one of the Company witnesses to appear on or after the new date for commencement of the hearing, i.e. Mr. Ralph Walker, who is unable to appear personally on the dates presently set aside for the hearing; 4) A possible result that the roughly two week continuance would afford the parties an additional opportunity for settlement, and avoidance of what will likely be a very contentious hearing. It is notable that all other parties in the case consent to the continuance. Commission Regulation 103-838 requires that no continuance should be granted unless good cause is shown. However, a review of the grounds for the continuance stated by PUI convinces this Hearing Officer that the grounds presented constitute good cause, and could, among other things, lead to useful discussions among the parties. Also, the other parties consent to the Motion for Continuance. Accordingly, the Motion for Continuance is granted. Until further Order of the Commission or the Hearing Officer, the hearing shall now commence at 10 AM on Monday, July 13, 2020, and continue, if necessary on July 14, 2020. Additional time for the hearing is discretionary with the Commission.

The Utility also requests that it be able to prepare and present additional pre-filed testimony related to what PUI would accept in this rate case. PUI asserts that ORS has

already stated what it would accept in, for example, its surrebuttal testimony. PUI requests until July 8, 2020 to file this additional testimony. The utility believes that its waiver of the statutory time period for a decision in this matter at the Commission's request due to the COVID-19 pandemic supports its proposed additional testimony. ORS has filed an objection to that portion of PUI's Motion which requests the filing of additional testimony beyond that granted in the Directive of June 24, 2020, which limited PUI to filing new testimony related to the testimony and exhibits of ORS witnesses Loy, Hunnell, and Seale. ORS also reserves its right to formally respond to the portion of PUI's Motion seeking leave to file additional testimony. The utility responded by stating that the proposed new testimony in the Motion only relates to what the Utility would accept as an outcome in this case, and is not related to the testimony and exhibits of the three ORS witnesses. ORS may formally respond to the portion of PUI's Motion seeking leave to file additional testimony by the close of business on Monday, June 29. PUI and any other party may respond to the ORS filing by the close of business on Wednesday, July 1, 2020. This hearing examiner therefore holds in abeyance a ruling on the Motion for the filing of additional testimony as described in PUI's Motion at this time.

Discussions for modification of the due date for Proposed Orders by ORS, and a change in the due date for issuance of the Final Order by PUI have been received. ORS requests an extension of the due date for the filing and service of Proposed Orders from July 15, 2020 to July 29, 2020. PUI has stated that its expectation for issuance of the Final Order in this case would no longer be August 6, 2020, but would be August 20, 2020. Both of these extensions are logical, due to the continuance granted. Accordingly, proposed orders are now due on or before July 29, 2020, and the Commission's final order would be issued on August 20, 2020.

ORS also points out that a change in the final order date may affect the numbers presented in ORS testimony related to the Tax Cuts and Jobs Act because of the new effective date of possible new rates. ORS may submit modified testimony reflecting any new numbers related to the Tax Cuts and Jobs Act and the change in the issuance of the final order. Other parties may also modify any responsive testimony to this issue. ORS must modify its testimony and exhibits if desired on or before the close of business on Monday, July 6, 2020. Modified responsive testimony may be filed if desired on or before Noon on Thursday, July 9, 2020.

Finally, the Hearing Officer wishes to express his appreciation to PUI for agreeing to accommodate calling witnesses out of order in circumstances where this may be necessary, and its willingness to having the hearing carried over after two days and resumed another day, if that becomes necessary. Of course, circumstances will dictate whether such actions will be needed, but the offer is very helpful in the administration of this case. This ends the Hearing Officer's Directive.